REMARKS

The withdrawal of all of the previous grounds of objection or rejection is respectfully acknowledged.

The Amendments

Claims 1 and 2 are amended merely to clarify what was already evident in the claims, i.e., that the determination referred to at the end of the claim is the determination referred to in the claim preamble, thus, tying the preamble into the body of the claim. The amendments do not narrow the scope of the claims and/or were not made for reasons related to patentability. The amendments should not be interpreted as acquiescence to any objection or rejection made in this application.

New claims 43 and 44 are supported by the disclosure at page 2, last paragraph, for example.

Applicants reserve the right to file one or more continuing and/or divisional applications directed to any subject matter disclosed in the application which has been canceled by any of the above amendments.

The First Rejection under 35 U.S.C. §103

The rejection of claims 1, 2, 5-8, 11, 12, 17, 18, 33, 34, 39 and 40 under 35 U.S.C. §103, as being obvious over Borghesi (U.S. Patent No. 5,950,169) in view of Prager (U.S. Patent No. 5,943,670), is respectfully traversed.

The description of the applicability of the claimed systems/methods, e.g., at page 2, last paragraph, through page 4, last paragraph, of applicants' specification, should make clear the completely different nature of the claimed invention from the cited reference disclosures. As the disclosure and claims state, the claimed system and method requires making a "determination of whether a claim for a defense under a liability insurance policy should be referred to a higher review level." The invention is not directed to analyzing or making an insurance claim generally. The invention provides systems and methods for a liability insurance company and/or those who

handle claims for a liability insurance company to more effectively address defending a claim made under a liability policy. For example, the systems and methods allow the user to more effectively decide if the claims, either in full or in part, is plainly not covered by the policy, if the claim, either in full or in part, is potentially covered and therefore obligates the insurer to defend but not indemnify the policyholder, or if the claim, either in full or in part, is plainly covered by the policy and thus obligates the insurer to both defend the policyholder and pay any settlement or judgment. The systems and methods allow the user to more effectively decide how likely it is that a claim will require the insurer to retain the services of an outside coverage attorney to assist in making the determination, and also whether the above determinations can be made by the claims handling personnel with or without management review. See also new claims 43 and 44 in these respects.

Borghesi teaches systems and methods for managing insurance claim processing (see, e.g., Abstract). The only type of insurance claim that the reference describes in connection with its systems and methods is a property insurance type claim; see, e.g., col. 1, lines 28-41. More particularly, the Borghesi invention is directed to systems and methods for managing insurance claims related to automobile physical damage repairs; see, e.g., col. 2, lines 32-49. Borghesi has nothing to do with methods or systems for determining whether a claim for a defense under a liability insurance policy should be referred to a higher review level and, particularly to determine whether it is covered in the first instance, and if so, whether it is fully or partially covered. The Borghesi system has nothing to do with making a determination about referral of claims for a defense under a liability insurance policy. It relates only to managing costs and repairs related to an automobile insurance claim that has already been determined to be covered. It provides no disclosure at all regarding a liability insurance claim or the determination of the degree of coverage for such a claim.

Prager is directed to systems and methods for determining the most appropriate categorization of documents; see, e.g., the Abstract. Prager has nothing to do with methods or systems for determining whether a claim for a defense under a liability insurance policy should be referred to a higher review level or, particularly, to determine whether it is covered in the first instance, and if so, whether it is fully or partially covered. The Prager system has nothing to do

with making a determination about referral of claims for a defense under a liability insurance policy. Prager does disclose (col. 11, lines 27-52) that the document categorization may be useful in connection with insurance claims and gives an example of how a document may be categorized to relate to both an auto and boat damage insurance claim. As explained above, however, in relation to Borghesi, such applicability to a property damage insurance claim gives no indication of applicability to a claim for a defense under a liability insurance policy.

Neither of the references provides any teachings directed to methods or systems for determining whether a claim for a defense under a liability insurance policy should be referred to a higher review level as described above. Further, there is no reasoning provided or apparent from the references why the cited reference systems and methods would be applicable to determining whether a claim for a defense under a liability insurance policy should be referred to such higher review level. For this reason at least, the combined teachings of the references fail to render the claimed systems or methods obvious to one of ordinary skill in the art. In the absence of a teaching in either of the references of such a system or method, the combination of the references would not result in this aspect of the claimed invention. The references, as a whole, teach nothing about referrals for legal defense of a liability insurance claim or any of the above-discussed more specific determinations.

Additionally, there is no objective reason for one of ordinary skill in the art to combine the reference teachings. Borghesi and Prager each relate to systems or methods for achieving completely distinct results and solving different types of problems. No sufficient articulated reason is provided as to why one of ordinary skill in the art would take different parts of these systems and combine them in the manner suggested in the Office action. The Office action states that it would be obvious to combine the teachings of Prager with Borghesi because Prager provides "an efficient means for categorizing documents into both categories from an originally-defined set and into virtual mixed categories via weighted mean of pairs and determining what values of the weights give the mixed categories the best matches." Applicants fail to see any reason why these teachings in Prager give a reason for combining with Borghesi. These features have no applicability to the Borghesi invention. Nor is it explained or evident on the record how such features would be applied to the Borghesi invention. There is no reason to provide in

Borghesi a system for allowing documents to be assigned new virtual categories.

In any event, even if the teachings of Borghesi and Prager were combined, the claimed invention is not achieved or suggested thereby. It is alleged in the Office action that the different types of data entered in the Borghesi system correspond to the categories used in the claimed invention and that the determination in Borghesi of whether the cost of repairs exceeds the cost estimate corresponds to the determination made in the claimed invention. Applicants strongly disagree. The different types of data used in the Borghesi invention merely identify the claim being made. These data are not relevant at all to determining whether a claim for a defense under a liability insurance policy should be referred to a higher review level or making any of the more specific determinations of the claimed invention. Further, these different types of data in Borghesi are not even used to make the determination in Borghesi of whether the repair costs exceed the estimate. Obviously, this determination is made merely by comparing the cost and estimate. Thus, there is no suggestion in Borghesi of a system or method involving a determination "from the number of categories found to apply whether the claim should be referred to a higher review level." Even if the data types in Borghesi were considered analogous to the categories in the claimed invention, Borghesi does not use these data types to make the cost vs. estimate determination.

Additionally, the combination of Prager's weighting of categories feature has no applicability to the Borghesi method and is a different type of weighting than used in the claimed invention. The weighting of the categories in Prager (e.g., at col. 3, lines 15-20) relates to generating a new virtual category for a document by weighting of multiple original categories found to apply. The weighting is not used to make any determination but to create a new virtual category for indexing a document. No articulated reasoning is provided for why one of ordinary skill in the art would apply this type of weighting to the data types (categories) in Borghesi or how such a weighting would be applied since Borghesi has nothing to do with categorizing documents. Furthermore, even if the weighting disclosed in Prager was combined with Borghesi in some way, the type of weighting and how it is used are not the same as in the claimed invention. Prager does not use the weighting such that "computer-executable instructions include programmed weightings of the applicable categories used for making the determination

and a programmed threshold of the sum of weightings of the total categories or a sub-set of categories which determines the referral result." As stated above, Prager uses the weighting to create a new virtual category for the document, not in connection with achieving a set threshold from with a determination is made. Thus, even if the weightings in Prager were applied to Borghesi in some way, the claimed invention would not be suggested by such a combination.

For all of the above reasons, it is urged that the rejection under 35 U.S.C. §103 should be withdrawn.

The Second Rejection under 35 U.S.C. §103

The rejection of claims 13-16, 19, 20, 41 and 42 under 35 U.S.C. §103, as being obvious over Borghesi in view of Prager, as applied above, further in view of Weidner (U.S. Pub. No. 2003/0009359), is respectfully traversed.

The discussion of Borghesi and Prager from above is equally applicable in traversing this rejection and is incorporated herein by reference. As discussed below, the teachings of Weidner fail to make up for the above-discussed deficiencies of the first two references. Most pertinently, none of these references teach anything about a computer-implemented method for making referrals regarding a claim for a defense under a liability insurance policy or making any of the more specific determinations of the claimed invention.

Weidner is directed to a specific set up for an allegedly new type of insurance company or policy using a "claims-paid" basis. Weidner new company or policy relates to property or casualty insurance, see, e.g., page 1, para. [0009]. Weidner has no teachings related to liability insurance or related to making a determination regarding a claim for a defense under a liability insurance policy. Weidner was cited in the Office action as allegedly suggesting the specific categories of applicants' claims 13-16. As noted in the Office action, it does not disclose such categories specifically. Applicants also urge that it fails to render the invention of these claims obvious to one of ordinary skill in the art. The factors relevant to providing a "claims-paid" insurance company or policy would have nothing to do with the categories of applicants' claims 13-16. Weidner relates to an allegedly new type of basis for insurance and has no relevance to the categories determinative of assessing a claim for a defense under a liability insurance policy

or the more specific determinations of the claimed invention. Integration of any of the Weidner teachings into the Borghesi and/or Prager systems or methods would not result in or suggest the claimed invention.

The combined teachings of Borghesi, Prager and Weidner fail to render the claimed invention obvious to one of ordinary skill in the art. Since none of these references teach anything about a computer-implemented method for making referrals for a claim for a defense under a liability insurance policy, it should be clear that their combination also fails to teach or suggest the claimed systems and methods. Further, no reason is apparent why one of ordinary skill in the art would combine the Weidner teachings with Borghesi or Prager. Weidner is directed to an allegedly new type of insurance company or policy having a "claims-paid" basis. Borghesi and Prager have no relation whatsoever to such an objective or means for meeting such an objective. Finally, even if there was a basis to combine the reference teachings, none of the references teach or suggest a system or method wherein a multiplicity of categories of circumstances relevant to analyzing the claim are used to make a determination, based on how many categories apply, programmed weightings of the categories which apply and a programmed threshold of the sum of weightings of the total categories or a sub-set of categories. To the extent the cited references have categories, they are not used in this way to make a determination.

Further, applicants disagree that claims 13-16 refer merely to non-functional descriptive material. The categories recited in these claims relate to real data which is necessary to make the ultimate determination recited in claims 1 and 2. Also, they are not claimed merely as descriptive material, per se, as alleged in the Office action. The claims which these claims ultimately depend on (i.e., claims 1 and 2) clearly set forth that the data is necessary for providing the function of the invention, i.e., the referral determination. Thus, contrary to the allegation in the Office action, the claims clearly do describe the steps involved in using the features (i.e., the categories) recited in claims 13-16. For example, claim 1 recites a system including "computer-executable instructions particular for determining from the number of categories found to apply whether the claim should be referred to a higher review level." Thus, the claims clearly recite how the categories are used to carry out the claimed invention and the recitations in claims 13-16 merely provide greater specificity on the nature of categories used in this determination. The

categories embody the data by which the computer is configured to be able to provide the referral determination, i.e., the data is partly responsible for making the computer a "particular machine" which makes it statutory subject matter in accordance with In re Bilski.

For all of the above reasons, it is urged that this rejection under 35 U.S.C. §103 should also be withdrawn.

It is submitted that the claims are in condition for allowance. However, the Examiner is kindly invited to contact the undersigned to discuss any unresolved matters.

The Commissioner is hereby authorized to charge any fees associated with this response or credit any overpayment to Deposit Account No. 13-3402.

Respectfully submitted,

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